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U.S. Loses Largest Food Company's Wheat Business

Report Categories:

Grain and Feed

Approved By:

Joe Lopez, Agricultural Counselor

Prepared By:

Leonardo Pinzon, Agricultural Specialist

Report Highlights:

Nutresa the biggest Colombian food processor and wheat importer announced it will begin sourcing Canadian wheat in place of U.S. wheat, due to the fact that wheat imports from Canada will go to zero duty under the Colombia-Canada free trade agreement.

General Information:

The president of Nutresa (previously known as National Chocolate Company, or CNC) recently announced that in the near future it will begin to source its wheat from Canada. Nutresa is the main producer of cookies, pastas and other food products in Colombia, and is also the single largest consumer of wheat imported in Colombia. Nutresa's wheat consumption represents 50 percent of total Colombian wheat imports. In 2010, the U.S. supplied 683,000 tons of the Colombian total wheat imports of 1.4 million tons. According to the president of Nutresa, the shift of imports from the U.S. in favor of Canadian wheat is due to the fact that the Colombia-Canada free trade agreement is about to eliminate the tariff for wheat imported from Canada. Our sources indicate the Colombia-Canada FTA would be implemented by this summer.